

CONTAINER REFUND SCHEME

Price monitoring review

The Queensland Productivity Commission was asked to monitor and analyse the price impacts of the Container Refund Scheme over the first 12 months of its operation.

The underlying policy aim of the review is to ensure that consumer interests are protected from unjustified pricing behaviour and that any price increases are what would be expected or reasonable.

This final report outlines the Commission's findings and recommendations.

Findings

Prices have increased, on average, by less than the scheme price of 11.2 cents (inc. GST) per container.



Non-alcoholic beverages

Average estimated price increase due to the Scheme **9.0 cents**

Alcoholic beverages

Average estimated price increase due to the Scheme **9.9 cents**



- **Scheme prices increase manufacturers' direct costs.** Suppliers also face indirect costs of complying with the Scheme.
- **Estimated retail beverage price increases are consistent with what would be expected,** given the costs of the Scheme.
- Estimated price increases are similar in regional Queensland and Brisbane.



- **Consumers have changed consumption behaviour** as a result of the Scheme—consumption of non-alcoholic drinks has fallen by an estimated 6.5 per cent, or 1.04 litres, per household per month.
- Expenditure on non-alcoholic drinks has increased by an estimated 4.3 per cent, or 93 cents, per household per month.



- There is no evidence that the Scheme has had a material impact on market competition.
- There is no evidence of poor performance or poor conduct of beverage manufacturers and retailers in relation to the Scheme.

Recommendations

Based on its findings, the Commission has made six recommendations addressing:

- the transparency of COEX regarding its costs, strategies and procedures, including reporting on efficiency indicators and complaints
- the way to assess proposals to harmonise schemes across Australia and expand container eligibility
- the accessibility of container refund points, including publishing the reasons for changes to their locations and types.



Download the final report here:

qpc.qld.gov.au/reviews/pricing-review-of-container-refund-scheme